GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4533
ANSWERED ON:23.12.2005
SUBSCRIPTION TO LIC POLICIES
Varma Shri Ratilal Kalidas;Yadav Shri Parasnath

Will the Minister of FINANCE be pleased to state:

(a) Whether the number of insurance policies subscribed sharply dropped during` the years 2003-04 and 2004-05 due to presence of private insurance companies ;

(b) if so, the details thereof;

(c) whether subscription of LIC policies has increased during 2005-06; and

(d) if so, the details thereof ?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM)

(a)&(b): As informed by the Life Insurance Corporation of India (LIC), the number of insurance policies have decreased from 26951919 in 2003-04 to 23959703 in 2004-05. The reduction in number of policies has taken place due to reduction in the strength of Development Officers, the enhancement of minimum sum assured to Rs. 50,000/- and perceptible shift to Unit Linked Policies in the insurance market.

(c) & (d): Yes sir. LIC has informed that the number of insurance policies have increased from 11229273 as on 15.122004 to 13827411 on 15.12.2005.